

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE PETITION)
FILED BY INTERMOUNTAIN GAS) **CASE NO. INT-G-02-1**
COMPANY FOR AN EXEMPTION FROM)
THE COMMISSION’S GAS SERVICE)
RULE 102, IDAPA 31.31.01.102.) **ORDER NO. 28982**
_____)

On January 11, 2002, Intermountain Gas filed a Petition with the Commission seeking an exemption from the Commission’s Gas Service Rule 102, IDAPA 31.31.01.102. In particular, Rule 102 requires all gas corporations to inspect a customer’s installation of a gas appliance before connecting the meter. In its Petition, Intermountain Gas asserts that Rule 102 is inconsistent with Rules 202 and 203 of the Commission’s Safety and Accident Reporting Rules, IDAPA 31.11.01.202 and 203. These latter safety rules allow gas utilities to forego inspecting customer installations that “[h]ave been inspected and approved by authorized agencies...” *Id.*

On January 25, 2002, the Commission issued a Notice of Modified Procedure requesting comments concerning Intermountain Gas’s Petition. Only the Commission Staff commented on the Company’s Petition. On March 6, 2002, the Staff and Intermountain Gas submitted additional comments that included a proposal for the Company to periodically review the inspections conducted by other authorized agencies. After reviewing the comments and the parties’ proposal, we approve the Company’s Petition.

THE PETITION

The Company maintained in its Petition that it desires to eliminate redundant customer installation inspections “beyond our meter.” Petition at 2, § I. The Company insisted that Gas Rule 102 compels duplicate inspections by both an authorized inspection agency (e.g., a city/county building department) and the utility. The Company stated that by eliminating the redundant inspections in Rule 102, “Intermountain will be improving our customers’ ability to receive expedited service from their heating contractor and the heating dealer will need inspection approval from only one authorized agency [and not the utility] thereby streamlining the inspection process.” Petition at I.

STAFF COMMENTS

The only comments were submitted by the Commission Staff. The Staff recommended that Intermountain Gas's request be approved "with the recognition that the Company is ultimately responsible for the quality of the [other agency's] inspection and to see that safety codes are followed." Staff Comments at 2. Staff also observed that the Commission had previously granted a waiver of Gas Rule 102 to Avista's predecessor Washington Water Power Company in August 1992. *See* Order No. 24507. That Order, however, stated that the Commission's waiver did not relieve Avista's obligation to see that safety codes were followed. *Id.* Staff also suggested that a permanent change to Gas Rule 102 may be warranted to reconcile the inconsistency between Gas Rule 102 and Safety Rules 202 and 203.

After the Staff filed its comments, representatives of the Company and Staff met to discuss the Staff's comments. In particular, the Company was concerned that even if the Commission approved the waiver request allowing other agencies to perform the code inspections, the Company was, nonetheless, responsible for the quality of inspections. To address the Staff's concern, the parties agreed to implement procedures to ensure that inspections conducted by governmental agencies meet adopted safety criteria.

THE JOINT PROPOSAL

On March 6, 2002, the Company and Staff submitted a proposal for the Commission's consideration. The parties noted that the objective of agency inspections is to verify that the gas installations comply with the standards set forth in either the Uniform Mechanical Code or the National Fuel Gas Code as adopted by the Commission. All installations of gas appliances must comply with these national safety codes. IDAPA 31.11.01.202 and 203. In those instances where a city or county establishes an inspection requirement for gas installations, Intermountain Gas will determine whether the city or county has adopted the necessary safety codes. In addition, the Company will review approximately 5% of the agency inspections to ensure that the inspections and installations are in conformance with the national safety standards. After a city or county agency has assumed inspection responsibilities, Intermountain Gas will review the agency's inspection program once every five years to ensure continued compliance. The Company will continue to provide inspections for those areas not inspected by another authorized agency.

FINDINGS AND DISCUSSION

After reviewing the Petition, Staff comments and the Joint Proposal, we find it reasonable to grant Intermountain Gas an exemption or waiver from our Gas Service Rule 102. IDAPA 31.31.01.102. As the Company noted in its Petition, it wishes to reduce costs and improve customer service by eliminating the requirement for dual inspections in those instances when a governmental agency conducts inspections regarding the installation of gas appliances. The Joint Proposal was submitted to address the Staff's concern about who ultimately is responsible for ensuring that gas installations are in conformance with applicable safety codes. Obviously, if other governmental agencies are going to assume the responsibility for installation inspections by requiring compliance with the applicable safety codes, the Company wants to limit its responsibility for code compliance.

We find that the Joint Proposal adequately addresses the question of ultimate responsibility. We believe it is reasonable to absolve Intermountain Gas of its inspection responsibilities when inspections are conducted by other governmental agencies. The Proposal contains appropriate measures to ensure that other agencies are inspecting gas appliances to ensure installation in a safe manner.

ORDER

IT IS HEREBY ORDERED that the Petition of Intermountain Gas Company for an exemption to the Commission's Gas Service Rule 102 is granted conditioned upon acceptance of the Joint Proposal.

THIS IS A FINAL ORDER. Any person interested in this Order (or in issues finally decided by this Order) or in interlocutory Orders previously issued in this Case No. INT-G-02-1 may petition for reconsideration within twenty-one (21) days of the service date of this order with regard to any matter decided in this Order or in interlocutory Orders previously issued in this Case No. INT-G-02-1. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 25th day of March 2002.

PAUL KJELLANDER, PRESIDENT

MARSHA H. SMITH, COMMISSIONER

DENNIS S. HANSEN, COMMISSIONER

ATTEST:

Jean D. Jewell
Commission Secretary

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